



State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

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Lieutenant Governor

April 7, 2005

Mr. James F. Kohler
Chief, Solid Minerals Branch
Bureau of Land Management
P. O. Box 45155
Salt Lake City, Utah 84145-0155

Subject: Comments on Drilling Proposal, Ziegler Chemical and Mineral Corporation, Ziegler Gilsonite Mines, M/047/013, Uintah County, Utah

Dear Mr. Kohler:

The Division of Oil, Gas and Mining has reviewed Ziegler's March 15, 2005, revision to its proposal to drill 12 exploration holes on four different sites. We offer the following comments:

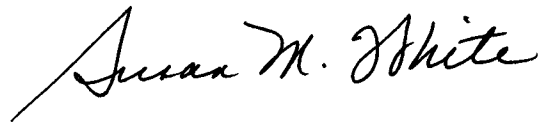
1. Hole plugging. The hole plugging plan is not adequate. The operator needs to follow the minimum requirements for hole plugging found in R647-4-108.
2. The proposal should state whether the three holes to be drilled from each site will be completed from a single set-up or if the drilling will require multiple set-ups.
3. Cultural resources. A cultural resources clearance needs to be obtained from the State Historic Preservation Office. Will the BLM request this clearance?
4. Reclamation timing. Rather than leaving sites partially reclaimed and unvegetated for a few years, the operator needs to complete reclamation, including revegetation, as soon as possible after exploration is done. This reduces the number of weeds and increases the likelihood of revegetation success. Seeding should be done in the fall as soon as possible after surface preparation. The surface should be left very rough.

James Kohler
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The Division would like to coordinate bond calculations with the BLM. Please provide a copy of your calculations once they have been prepared.

By sending this letter to you, we hope we can coordinate our reviews. Please let us know when you have finished reviewing this amendment so we can resolve any discrepancies. Please call Paul Baker at 801-538-5261 or me at 801-538-5258 if you have any questions about this letter.

Sincerely,

A handwritten signature in black ink that reads "Susan M. White". The signature is fluid and cursive, with a long horizontal line extending from the start of the name.

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SW:PBB:jb
cc: Stan Perkes, BLM
Stan Wagner, Ziegler
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